FAIR WORK AUSTRALIA

19 October 2011

Ms Lenette Mullen
President
The Pharmacy Guild of Australia, Western Australian Branch

email: reception@wa.guild.org.au

Dear Ms Mullen

Re: Financial Report for The Pharmacy Guild of Australia, Western Australian Branch for year ended 30 June 2011 – FR2011/2587

I acknowledge receipt of the financial report and designated officer's certificate for The Pharmacy Guild of Australia, Western Australian Branch for the year ended 30 June 2011. The report and designated officer's certificate were lodged with Fair Work Australia on 27 and 28 September 2011 respectively.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Notes to the Cash Flow Statement

Reporting Guideline 15 of the General Manager's Reporting Guidelines states that 'where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned'. This is in addition to the requirement to disclose capitation fees to the national office (Reporting Guideline 11(b)). In future years please ensure that cash flows to and from the national office, and if relevant any branches, are disclosed in the notes to the cash flow statement.

Operating Report

Review of Principal Activities

Section 254(2)(a) of the *Fair Work (Registered Organisations) Act 2009* requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The 'results of operation' requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entity's financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborate elsewhere in the financial documents.

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If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia
Email: kevin.donnellan@fwa.gov.au

Designated Officer's Certificate or other Authorised Officer[1]

s268 *Fair Work (Registered Organisations) Act 2009*

I *LENETTE MULLEN* being the *PRESIDENT* of the Pharmacy Guild of Australia (WA Branch) certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the 2011 ANNUAL REPORT and FINANCIAL REPORT for the Year Ended 30 June 2011, was provided to members on 29 AUGUST 2011; and
- that the full report was presented to a *general meeting of members* of the reporting unit on 27 SEPTEMBER 2011 ; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009.*

Signature

Date: 27. 9. 2011.

[1] *The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

[2] *Only applicable where a concise report is provided to members*

[3] *Insert whichever is applicable*

THE PHARMACY GUILD OF AUSTRALIA
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FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

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COMMITTEE OF MANAGEMENT STATEMENT

On 26 August 2011 the Committee of Management of The Pharmacy Guild of Australia WA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2011:

The Committee of Management declares in relation to the GPFR that in its opinion:

(a) The financial statements and notes comply with the Australian Accounting Standards;

(b) The financial statements and notes comply with the reporting guidelines of the General Manager of FWA;

(c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

(d) There are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;

(e) During the financial year to which the GPFR relates and since the end of that year:

i. Meetings of the committee of management were held in accordance with the rules of the organization including the rules of a branch concerned; and

ii. The financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a branch concerned; and

iii. The financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and

iv. Where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and

v. The information sought in any request of a member of the reporting unit or a General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWA; and

vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For Committee of Management: Zoe Lenette Mullen

Title of Office Held: President

Signature

Dated: 26 August 2011

THE PHARMACY GUILD OF AUSTRALIA
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OPERATING REPORT

I, ZOE LENETTE MULLEN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2011 of The Pharmacy Guild of Australia Western Australian Branch, report as follows:

1. **Principal Activities:**
   a) The Pharmacy Guild of Australia Western Australian Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
   b) The Pharmacy Guild of Australia Western Australian Branch assists the National Council and the National Executive of The Pharmacy Guild of Australia ("the Guild") in carrying out the overall policy and objectives of the Guild.
   c) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia Western Australian Branch's President and Director outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

2. **Significant financial changes:**
   There have been no significant changes in The Pharmacy Guild of Australia Western Australian Branch's financial affairs during the period to which this report relates.

3. **Operating Results**
   The profit for the year amounted to $697,531 (2010: $549,602)

4. **Members Advice:**
   a) Under Section 174 of the Fair Work (Registered Organisations) Act 2009, a member may resign from a membership by written notice addressed and delivered to the Branch Director (Rule 36 of the Constitution);
   b) The register of members of the organization was maintained in accordance with the Fair Work (Registered Organisations) Act 2009;
   c) Section 272 of the Fair Work (Registered Organisations) Act 2009 outlines members and the General Manager of FWA's rights to certain prescribed information.

5. **Prescribed and other Information:**
   a) As at 30 June 2011 to which this report relates the number of members of the organisation was 456 including Honorary Life Members;
   b) As at 30 June 2011 the total number of employees employed by the reporting entity was 18.
   c) The persons who have been members of the committee of management of The Pharmacy Guild of Australia Western Australian Branch during the reporting period are:

Branch Executive

Zoe Lenette Mullen	President
Harry Zafer	National Councillor
Stephen Wragg	Vice President Finance
Natalie Willis	Vice President

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OPERATING REPORT CONTINUED

Branch Committee

Bruce Warland	Great Southern Country
Vivien Hudson	North Coast Metro
Paul Jardine	South Eastern Metro
Andrew Ngeow	Eastern Country
Paul Rees	Northern Country District
Lenette Mullen	Fremantle Melville
Ernie Pirone	Northern Metro
David Manuel	Perth City
Chirag Shah	South Coastal Metro
Adrian Staltari	Eastern Metropolitan
Natalie Willis	South Perth Metro
Stephen Wragg	North Eastern Metro
Harry Zafer	West Coast Metro
Linda Keane	South West Country

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

6. **Insurance of Officers:**

During the financial year, The Pharmacy Guild of Australia Western Australian Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Western Australian Branch. The officers of The Pharmacy Guild of Australia Western Australian Branch covered by the insurance policy include all the committees of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia Western Australian Branch. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of The Pharmacy Guild of Australia Western Australian Branch

ZOE LENETTE MULLEN
Date: 26 August 2011

THE PHARMACY GUILD OF AUSTRALIA
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	2011 $	2010 $
Revenue	2	3,219,426	2,894,601
Employee benefits expense		(1,194,626)	(1,014,506)
Depreciation and amortisation expense		(40,010)	(34,950)
Other expenses		(1,287,259)	(1,295,543)
Profit for the year		697,531	549,602
Other Comprehensive Income			
Revaluation of land and building		2,075,000	-
Total Comprehensive Income		2,772,531	549,602

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	NOTE	2011	2010
		$	$
CURRENT ASSETS			
Cash and cash equivalents	4	3,641,870	2,671,265
Trade and other receivables	5	174,002	197,218
Inventories	6	-	1,926
Other current assets	7	77,642	206,403
Total Current Assets		3,893,514	3,076,812
NON CURRENT ASSETS			
Trade and other receivables	5	10,000	10,000
Property, plant and equipment	8	4,323,164	2,216,008
Total Non Current Assets		4,333,164	2,226,008
TOTAL ASSETS		8,226,678	5,302,820
CURRENT LIABILITIES			
Trade and other payables	9	1,362,469	1,229,394
Short term provisions	10	97,580	91,934
Total Current Liabilities		1,460,049	1,321,328
NON CURRENT LIABILITIES			
Long term provisions	10	31,630	19,024
Trade and other payables	9	36,460	36,460
Total Non Current Liabilities		68,090	55,484
TOTAL LIABILITIES		1,528,139	1,376,812
NET ASSETS		6,698,539	3,926,008
EQUITY			
Reserves		3,998,605	1,723,605
Retained earnings		2,699,934	2,202,403
TOTAL EQUITY		6,698,539	3,926,008

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings General	Retained Earnings Special Projects	Capital Equipment Replacement Reserve	Capital Buildiug Reserve	Asset Revaluation Reserve	Total
	$	$	$	$	$	$
Balance at 30 June 2009	506,324	1,525,802	79,810	111,510	1,152,960	3,376,406
Profit for the year	286,323	263,279	-	-	-	549,602
Transfer from general funds	-	(430,000)	80,000	350,000	-	-
Transfer to general funds	-	50,675	(5,462)	(45,213)	-	-
Balance at 30 June 2010	792,647	1,409,756	154,348	416,297	1,152,960	3,926,008
Profit for the year	404,555	292,976	-	-	-	697,531
Revaluation of land and building					2,075,000	2,075,000
Transfer from general funds	(600,000)	500,000	-	100,000	-	-
Transfer to general funds	-		-	-	-	-
Balance at 30 June 2011	597,202	2,202,732	154,348	516,297	3,227,960	6,698,539

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,094,737	2,722,494
Payments to suppliers and employees		(2,196,087)	(1,754,691)
Interest received		147,898	71,550
Net cash provided by operating activities	15	1,046,548	1,039,353
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		22,637	34,236
Purchase of property, plant & equipment		(98,580)	(83,925)
Net cash provided by (used in) investing activities		(75,943)	(49,689)
Net increase/(decrease) in cash held		970,605	989,664
Cash at beginning of the year		2,671,265	1,681,601
Cash at end of year	4	3,641,870	2,671,265

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

The financial report covers The Pharmacy Guild of Australia, Western Australian Branch as an individual entity. The Pharmacy Guild of Australia, Western Australian Branch is an organization registered under the Fair Work (Registered Organisations) Act 2009. The nature of the operations and the principal activities of the Branch are described in the Operating Report.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Income Tax

The Pharmacy Guild of Australia, Western Australia Branch is exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories consist of stock of unsold product, measured at the lower of cost or net realisable value. The cost of inventories includes all direct costs of acquisition. Costs are assigned on the basis of weighted average cost.

c. Property, plant & equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the Organization commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Office equipment	15%
Office furniture	10%
Motor vehicles	15%
Computer equipment	33 1/3%
Structural improvements	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to entities in the economic entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial instruments

Initial Recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the organization becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as such or that are not classified in any other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Impairment

At each reporting date, the Organization assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of assets

At each reporting date, the Organisation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Organisation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g. Employee Benefits

Provision is made for the Organisation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h. Training administration fee

The training administration fee liability represents the amount refundable to employer members for the training administration fee originally charged to employer members.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

j. Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Where applicable, receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Key Estimates

(i) *Impairment*
The Organization assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

m. Adoption of New and Revised Accounting Standards

During the current year the Organization adopted all of the new and revised Australian Accounting Standards and interpretations applicable to its operations which became mandatory. The adoption of these standards has not materially impacted on the recognition, measurement and disclosure of transactions entered into during the year, nor has it had any material impact on the financial statements of the Organization.

m. Adoption of New and Revised Accounting Standards (cont)

New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Organization has decided not to early adopt. A discussion of those future requirements and their impact on the Organization is as follows:

AASB 9: Financial Instruments [December 2010] (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Organization has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).
This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Organisation.

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

n. Adoption of New and Revised Accounting Standards (cont)

New Accounting Standards for Application in Future Periods (cont)

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

AASB 2009–12: Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Organization.

AASB 2009–14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

This Standard is not expected to impact the Organization.

AASB 2010–4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- amending AASB 7 to add an explicit statement that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- amending AASB 134 by adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- Adding sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Organization.

m. Adoption of New and Revised Accounting Standards (cont)

New Accounting Standards for Application in Future Periods (cont)

AASB 2010–5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010–6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Organization.

AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

This Standard is not expected to impact the Organization.

AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

m. Adoption of New and Revised Accounting Standards (cont)

New Accounting Standards for Application in Future Periods (cont)

The amendments are not expected to impact the Organization.

AASB 2010–9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Organization.

AASB 2010–10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009–11 & AASB 2010–7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9; and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009–11 will only affect early adopters of AASB 2009–11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010–7.]

This Standard is not expected to impact the Organization.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

2. REVENUE

	2011 $	2010 $
Operating Activities		
• General fund revenue	1,420,329	1,249,129
• Membership Subscriptions	1,007,021	878,537
• Program and Grant Income	313,257	374,841
• Special project fund revenue	327,921	320,544
• Interest received – general fund	85,378	45,298
• Interest received - special project fund	65,520	26,252
	3,219,426	2,894,601
Non-operating Activities	-	-
Total revenue	3,219,426	2,894,601

3. AUDITORS REMUNERATION

	2011 $	2010 $
Remuneration of the auditor for:		
Auditing or reviewing the financial report	12,000	9,300
Other services	3,500	-
	15,500	9,300

4. CASH AND CASH EQUIVALENTS

	2011 $	2010 $
Cash at bank and in hand	3,641,870	2,671,265
Short term bank deposits	-	-
	3,641,870	2,671,265

4. CASH AND CASH EQUIVALENTS (CONT)

Reconciliation of cash
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:-

Cash and cash equivalents - general	3,549,715	2,652,928
Cash and cash equivalents – special projects fund	92,155	18,337
Bank overdrafts	-	-
	3,641,870	2,671,265

	2011	**2010**
	$	**$**
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Subscriptions and other receivables	174,002	197,218
Total current trade and other receivables	174,002	197,218
NON CURRENT		
Loan to Guild Shield Chemists	10,000	10,000

Current trade receivables are non-interest bearing and generally are receivable with 90 days. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2011 (2010: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

5. TRADE AND OTHER RECEIVABLES (CONT)

Credit Risk

The Organization has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 5. The main source of credit risk to the Organization is considered to relate to the class of assets described as subscriptions receivable.

The following table details the Organization's subscriptions receivable exposed to credit risk with aging analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Organization and the member or counterparty to the transactions. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Organization.

The balance of receivables that remain within initial terms (as detailed in the table) are considered to be of acceptable credit quality.

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 - 60	61 - 90	> 90	
2011	$	$	$	$	$	$	$
Subscriptions and other Receivables	184,002	-	10,931	340	5,515	16,506	150,710
Total	184,002	-	10,931	340	5,515	16,506	150,710
2010							
Subscriptions and other Receivables	207,218	-	51,695	5,197	13,814	28,984	107,528
Total	207,218	-	51,695	5,197	13,814	28,984	107,528

The Organization does not hold any financial asserts whose terms have been renegotiated, but which would otherwise be past due or impaired.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

5. TRADE AND OTHER RECEIVABLES (CONT)

Credit Risk (CONT)

Collateral held as security

No collateral is held as security for any of the trade or other receivable balances.

		2011 $	2010 $
Financial assets classified as loans and receivables			
Trade and other receivables	Note		
- total current	16	174,002	197,218
- total non-current	16	10,000	10,000
Total		184,002	207,218

Collateral pledged

No collateral has been pledged for any of the trade and other receivable balances.

6. INVENTORIES

CURRENT

	2011 $	2010 $
Stocks of stationery, packaging and signs	-	1,926

7. OTHER CURRENT ASSETS

	2011 $	2010 $
Prepayments	60,651	54,172
Accrued income	10,064	150,828
Accrued GST	-	1,403
	70,715	206,403

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 $	2010 $
8. PROPERTY, PLANT & EQUIPMENT		
Land & buildings		
Opening independent valuation	1,825,000	1,825,000
Revaluation	2,075,000	0
Additions	1,105	
Closing independent valuation	3,901,105	1,825,000
Office furniture & equipment		
At cost	897,092	857,690
Accumulated depreciation	(530,286)	(497,339)
	366,806	360,351
Motor vehicles		
At cost	58,073	35,236
Accumulated amortisation	(2,819)	(4,579)
	55,254	30,657
Total plant & equipment	422,060	376,270
Total property, plant & equipment	4,323,164	2,216,008

The Organization's land & buildings were revalued in the current financial year by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in the equity section of the balance sheet. No deferred tax was provided on the revaluation as The Pharmacy Guild of Australia, Western Australia Branch is exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

8. PROPERTY, PLANT & EQUIPMENT (CONT)

Movement in carrying amounts

Movements in carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year.

	Land & buildiugs $	Office furniture & equipment $	Motor vehicles $	Total $
Balance at the beginning of year	1,825,000	360,351	30,657	2,216,008
Additions	1,105	39,402	58,073	98,580
Disposals	-	-	(26,414)	(26,414)
Revaluation decrement	2,075,000	-		2,075,000
Depreciation & amortisation expense	-	(32,947)	(7,063)	(40,010)
Carrying amount at the end of year	3,901,105	366,806	55,253	4,323,164

9. TRADE & OTHER PAYABLES

	2011 $	2010 $
CURRENT		
Trade payables	106,308	-
Training administration fees	80,640	57,540
Income received in advance	1,054,333	997,003
Accrued expenses	11,757	174,851
Accrued GST	109,431	-
	1,362,469	1,229,394
NON CURRENT		
Rental Property Security Deposit	36,460	36,460

The Income received in advance amount includes $751,707 (2010: $759,906) membership fees for the 2011/2012 year of which $373,047 (2010: $340,022) is payable to the National Secretariat.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

10. PROVISIONS

	Annual leave	Long service leave	Employee Incentive	Total
	$	$	$	$
Opening balance at 1 July 2010	58,934	19,024	33,000	110,958
Additional provisions	4,546	12,606	1,100	18,252
Amounts used	-	-	-	
Balance at 30 June 2011	63,480	31,630	34,100	129,210

Analysis of total provision	2011
	$
Current	97,580
Non current	31,630
	129,210

Provision for long term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

11. RESERVES

General Reserves
The capital equipment replacement reserve and the capital building reserve record funds set aside for future expansion of the association.

Asset Revaluation Reserve
The asset revaluation reserve records revaluations of land and buildings.

12. CAPITAL & LEASING COMMITMENTS

Operating lease commitments

Payable – minimum lease payments	2011	2010
	$	$
- not later than 12 months	-	-
- between 12 months & 5 years	-	-
- greater than 5 years	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 $	2010 $
12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
Estimates of the potential effect of contingent liabilities that may become payable:	-	-

13. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred subsequent to the reporting date.

14. RELATED PARTY TRANSACTIONS

There have been no material transactions with key management personnel or related parties.

15. CASHFLOW INFORMATION

Reconciliation of cash flow from operations with profit from ordinary activities after income tax:

	2011 $	2010 $
Profit after income tax	697,531	549,602
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation and amortisation	40,010	34,950
- Net Loss on Disposal of Property Plant and Equipment	3,777	-
Changes in assets and liabilities		
- (Increase)/decrease in trade and term debtors	23,216	(100,557)
- (Increase)/decrease in prepayments	(13,406)	(90,287)
- (Increase)/decrease in accrued income	142,167	(5,411)
- (Increase)/decrease in inventories	1,926	67
- Increase/(decrease) in trade and other payables	22,240	604,833
- Increase/(decrease) in employee benefits	18,252	47,844
- Increase/(decrease) in accrued GST	110,835	(1,688)
Cash flow from operations	1,046,548	1,039,353

Cash flows to and from the National Secretariat were $647,574 and $359,561 respectively

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

16. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The Organization's financial instruments consist mainly of deposits with banks, short term instruments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2011 $	2010 $
Financial Assets			
Cash and cash equivalents	4	3,641,870	2,671,265
Loans and receivables	5	184,002	207,218
Other current assets	7	77,642	206,403
		3,903,514	3,084,886
Financial Liabilities			
Trade and other payables	9	1,398,929	1,265,854
		1,398,929	1,265,854

Financial Risk Management Policies

The Organization's Vice President Finance is responsible for, among other issues, monitoring and managing financial risk exposures of the Organization. The Vice President Finance monitors the association's transactions and reviews the effectiveness of controls relating ti credit risk, financial risk and interest rate risk. The overall risk management strategy seeks to ensure that the association meets its financial targets, whilst minimising potential cash flow shortfalls.

Specific Financial Risk Exposure and Management

The main risks the Organization is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

a. Interest rate risk
The Organization is not exposed to any significant interest rate risk since cash balances are maintained at variable rates and borrowings of the Organization are not considered significant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

16. FINANCIAL RISK MANAGEMENT (CONT)

Specific Financial Risk Exposure and Management (CONT)

b. Liquidity risk
Liquidity risk arises from the possibility that the Organization might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Organization manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflect an undiscounted contractual maturity analysis for financial liabilities.
Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial assets maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial liabilities								
Trade & sundry payables	1,362,469	1,229,394	36,460	36,460	-	-	1,398,929	1,265,854
Lease liabilities	-	-	-	-	-	-	-	-
Total financial assets	1,362,469	1,229,394	36,460	36,460	-	-	1,398,929	1,265,854
Financial assets								
Cash & cash equivalents	3,641,870	2,671,265	-	-	-	-	3,641,870	2,671,265
Short-term deposits	-	-	-	-	-	-	-	-
Trade & other receivables	174,002	197,218	10,000	10,000			184,002	207,218
Total financial assets	3,815,872	2,868,483	10,000	10,000	-	-	3,825,872	2,878,483

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 12 for further details.

c. Foreign exchange risk
The Organization is not exposed to fluctuations in foreign currencies.

16. FINANCIAL RISK MANAGEMENT (CONT)

Specific Financial Risk Exposure and Management (CONT)

d. Credit risk
Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Organization.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. All subscriptions receivable are past due. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

There is no collateral held by the Organization securing trade or other receivables.

The Organization has no significant concentration of credit risk with any single counterparty or group of counterparties.

e. Price risk
The Organization is not exposed to any material commodity price risk.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgement and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

16. FINANCIAL RISK MANAGEMENT (CONT)

Net Fair Values (CONT)

		2011		2010	
	Footnote	**Net Carrying Value $**	**Net Fair Value $**	**Net Carrying Value $**	**Net Fair Value $**
Financial assets					
Cash & cash equivalents	(i)	3,641,870	3,641,870	2,671,265	2,671,265
Trade & other receivables	(i)	184,002	184,002	207,218	207,218
Total financial assets		3,825,872	3,825,872	2,878,483	2,878,483
Financial liabilities					
Trade & sundry payables	(i)	1,398,929	1,398,929	1,265,854	1,265,854
Lease liabilities	(ii)	-	-	-	-
Total financial liabilities		1,398,929	1,398,929	1,265,854	1,265,854

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.

(ii) These liabilities are fixed interest leases carried at amortised cost. Differences between carrying value and net fair value represent decreases in market interest rates.

17. ORGANIZATION DETAILS

The registered office of the Organization is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

The principal place of business of the Organization is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

18. SEGMENT REPORTING

The Organization operates predominately in one business and geographical segment, being the pharmaceutical sector, providing industrial representative services to members of the Organization in Western Australia.

19. FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 – SECTION 272 (5) NOTICE

Information to be provided to members or General Manager of FWA.

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Note: This subsection is a civil penalty provision (see section 305).

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT BY THE MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 4 to 29;

1. Presents a true and fair view of the financial position of The Pharmacy Guild of Australia Western Australian Branch as at 30 June 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritive pronouncements of the Australian Accounting Standards Board. .

2. At the date of this statement, there are reasonable grounds to believe that The Pharmacy Guild of Australia Western Australian Branch will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

ZOE LENETTE MULLEN
President

STEPHEN WRAGG
Vice President of Finance

Dated this 26th Day of August 2011

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

MOORE STEPHENS
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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

Report on the financial report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australia Branch (the "Organization"), which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, detailed income and expenditure statement - general fund, detailed income and expenditure statement - special project fund, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes, the statement by the members of the committee and the committee of management statement.

Committees' responsibility for the financial report

The committee of the Organization is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD
OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

Auditor's opinion

In our opinion the financial report of The Pharmacy Guild of Australia, Western Australia Branch presents fairly, in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) *Act 2009*, including:

(i) giving a true and fair view of the Organization's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by the financial reporting guidelines issued by the General Manager of the Fair Work (Registered Organisations) Act 2009.

Moore Stephens

Moore Stephens
Chartered Accountants

Neil Pace

Neil Pace
Partner

Dated this 26th day of August 2011

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011
GENERAL FUND

	2011 $	2010 $
REVENUE		
Operating Activities		
Commission	191,700	184,042
Events & Public Relations Income	58	395
Gold Cross Service Commission	22,170	33,554
Members Services	389,259	437,983
Membership Subscriptions	1,007,021	878,537
Pharmacy Industry Training	745,943	649,039
Sundry Income	66,108	56,413
Interest Received	85,378	45,298
Pharmacy Forum	321,348	262,544
TOTAL REVENUE	**2,828,985**	**2,547,805**
EXPENDITURE		
Advertising	-	4,793
Auditing Fees	9,300	9,300
Bank Fees	4,867	5,058
Branch Committee Expenses	14,673	27,019
Depreciation – Office Equipment	13,709	12,669
– Motor Vehicles	14,715	4,859
Dispatch & Postage	16,291	14,106
EDP Maintenance & Support	10,988	11,483
Events & Public Relations Expenses	80	280
Insurance	30,444	30,158
Meeting Expenses	-	1,436
Members Services	259,083	348,115
Motor Vehicle	-	2,758
National Council Dues	588,652	530,375
Office Expenses	-	4,030
Payroll Tax	77,264	56,580
Parking/Taxi Expenses	-	999
Power and Light	14,298	9,733
Printing and Stationery	46,594	41,005
Professional Fees	21,887	1,400

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011
GENERAL FUND

	2011	2010
	$	$
Salaries – Employees	1,018,529	883,675
Staff Recruitment & Agency Temp Staff	-	3,630
Subscriptions & Seminars	-	2,063
Sundry Expenses & Staff Training	71,046	77,836
Superannuation	161,858	125,120
Telephone and Facsimile	22,605	21,655
Training Division Expenses	27,547	24,031
Travelling Expenses	-	6,510
Uniforms for Staff	-	806
TOTAL EXPENDITURE	**2,424,430**	**2,261,482**
Profit from General Fund for the year	**404,555**	**286,323**

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011
SPECIAL PROJECT FUND

	2011 $	2010 $
REVENUE		
Operating Activities		
Rent and Variable Outgoings Received	142,035	142,035
WA Industrial & Management Service Fee	184,317	178,509
Interest Received	62,520	26,252
Other Income	1,569	-
TOTAL REVENUE	**390,441**	**346,796**
EXPENDITURE		
Cleaning Services & Supplies	25,064	24,911
Depreciation	19,238	17,422
Donations	9,677	11,447
Industrial Costs	11,080	0
Legal Cover Expenses	7,408	7,536
Rates & Taxes	22,999	21,941
Sundry Expenses	2,000	260
TOTAL EXPENDITURE	**97,465**	**83,517**
Profit from Special Projects Fund for the year	**292,976**	**263,279**